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HEALTH CARE REFORM UPDATE November 18, 2013

- **Cancellation Plan Fix?** President's Obama's solution for Americans who received cancellation notices was met with some resistance from insurance executives and even some allies, because of the possible destabilizing effect on the insurance marketplace, which had already set prices based on estimated exchange enrolment. The Administration stated in a [letter](#) to Insurance Commissioners that they hope to stabilize the market by exploring "ways to modify the risk corridor program final rules to provide additional assistance" to help mitigate the premium fluctuation problem. Insurers, consumer groups, and members of Congress alike, will be intensely focused on influencing the risk corridor rules as well as lobbying State Insurance Commissioners to either accept the President's solution or reject it, and encourage individuals to sign up for insurance via the exchanges. Already, a few states with Democratic governors have rejected the President's plan. Further, on Friday, 39 Democrats joined nearly every Republican House member to approve a [bill](#) by Representative Fred Upton (R-MI) that would allow commercial health plans to sell insurance products that did not meet ACA requirements to both new and old customers through 2014. Prospects that the bill would pass the Senate or be signed by the President seem unlikely at this juncture.
- **Will cholesterol-fighting medicines become even more widely prescribed?** Last week the American College of Cardiology and the American Heart Association released sweeping new recommendations on the use of the cholesterol fighting medicines known as "statins." With over 250 million prescriptions in the US last year, statins are already the most widely prescribed class of medicines. These drugs have been available for decades and therefore the vast majority of prescriptions are generics. The new treatment guidelines have been met with a great deal of skepticism among the medical community as it could lead to a near doubling of the number of patients treated. The debate continued over the past weekend at the American Heart Association meeting. One very important consideration in this debate is whether new drugs to treat patients that are refractory to treatment or otherwise cannot tolerate the statin drugs. There are over 10 million patients in the US alone that do not respond to, or do not tolerate statins and this has incentivized drug developers to investigate innovative new treatments to cut cholesterol levels in these individuals. At issue is that many of these new treatments are expensive biologic drugs that must be injected rather than taken orally. As with other biologic medicines, these monoclonal antibody treatments are sure to be significantly more expensive than orally available medicines. All of this is raising fears within the advocacy community and within the industry that new treatments may be delayed – or worse leaving millions of patients without options for lowering cholesterol.

Implementation of the Affordable Care Act

Initial Enrollment Numbers Released: The Department of Health and Human Services (HHS) [released](#) a report detailing the number of enrollments for health insurance made in the first month of open enrollment. 106,185 individuals have enrolled in a plan, 1,081,592 have been determined to be eligible to enroll in a plan, and 846,184 applications have been completed.

Industry Groups Opposed to Policy Cancellation Fix: The [American Academy of Actuaries](#) and America's Health Insurance Plans' (AHIP) President and CEO [Karen Ignagni](#) released statements cautioning that President Obama's plan to reverse health insurance cancellations could destabilize the market and increase insurance premiums in 2015.

House Passes Upton Bill: On Friday, the House of Representatives [passed](#) the Keep Your Health Plan Act, sponsored by Representative Fred Upton (R-MI), which would allow insurance companies to continue selling ACA non-compliant plans for one year. The President has [promised](#) to veto the bill if it passes the Senate.

Oversight Hearing on Website Rollout: The House Oversight Committee held a [hearing](#) discussing the rollout of healthcare.gov. Witnesses testified that the website is improving and expanding capacity. Deputy Chief Information Officer Henry Chao testified he removed the anonymous shopping feature because it was not functional and defended the website's security.

Homeland Security Hearing on Healthcare.gov: The House Homeland Security Committee held a [hearing](#) on the security of healthcare.gov, where Acting Assistant Secretary of the Office of Cybersecurity and Communications testified the website has experienced 16 cyberattacks and one denial of service attack, none of which were successful.

House Energy and Commerce ACA Hearing: The House Energy and Commerce Committee held a [hearing](#) on the implementation of the ACA. Michael Astrue, former Social Security Commissioner, called for the resignation of HHS Inspector General Daniel Levinson in his testimony.

GOP Amicus Brief: Forty Republicans from the House of Representatives [filed](#) an amicus brief on a D.C. District Court case arguing that contrary to the Origination Clause, which requires revenue bills to originate in the House, the Affordable Care Act (ACA) originated in the Senate.

Republicans Oppose Taft-Hartley Exemptions: Twenty-one Republican Senators [sent a letter](#) to President Obama urging him not to implement a proposed regulation which would exempt union health plans, frequently referred to as Taft-Hartley plans, from the reinsurance fee mandated by the ACA.

Senator Hagan Demands Investigation: Senator Kay Hagan (D-NC) has been circulating a draft letter to HHS Inspector General Daniel Levinson asking him to conduct a full investigation into the design and implementation failures of healthcare.gov.

Other HHS and Federal Regulatory Initiatives

Request for QHP Comments: CMS [released](#) a request for public comments on the proposed Quality Rating System for Qualified Health Plans.

Surgeon General Nomination: President Obama has [nominated](#) Dr. Vivek Murthy for the position of Surgeon General. Dr. Murthy was the co-founder and President of Doctors for America.

Other Congressional and State Initiatives

House Passes PREEMIE Act: Last week, the House of Representatives [passed](#) the PREEMIE Reauthorization Act, which aims to track, prevent, and treat premature births, and will create the National Pediatric Research Network.

House Passes HOPE Act: On November 12 the House of Representatives [passed](#) the HIV Organ Policy Equity Act (HOPE Act), which will end a ban on the donation of HIV-positive organs to those who are already HIV positive. The bill was presented to the President on November 14.

EpiPen Bill Becomes Law: President Obama [signed](#) the School Access to Emergency Epinephrine Act into law. The law will increase access to emergency epinephrine supplies in schools.

Other Health Care News

New Cholesterol Guidelines: The American College of Cardiology and the American Heart Association [released](#) new guidelines for how physicians should consider cholesterol and other risk factors when determining cardiovascular disease risk. The guidelines may increase the prescription of statin drugs.

Hearings and Mark-Ups Scheduled

House

On Tuesday, November 19, the House Energy and Commerce Committee will hold a [hearing](#) titled “Security of HealthCare.gov.”

On Tuesday, November 19, the House Science, Space, and Technology Committee will hold a [hearing](#) titled “Is My Data on Healthcare.gov Secure?”

On Tuesday, November 19, the House Energy and Commerce Subcommittee on Health will hold a [hearing](#) to examine Federal Regulation of Mobile Medical Apps and Other Health Software.

On Wednesday, November 20, the House Energy and Commerce Subcommittee on Health will hold a [hearing](#) titled “Examining Public Health Legislation to Help Local Communities.”

On Wednesday, November 20, the House Education and Workforce Subcommittee on Workforce Protections will hold a [hearing](#) titled “Redefining Companion Care: Jeopardizing Access to Affordable Care for Seniors and Individuals with Disabilities.”

Senate

On Wednesday, November 20, the Senate Health, Education, Labor, and Pensions Subcommittee on Primary Health and Aging will hold a [hearing](#) on social and economic status effect on health.

On Wednesday, November 20, the Senate Small Business and Entrepreneurship Committee will hold a hearing to examine how to implement the rollout of the small business exchanges under the Affordable Care Act.